

## U.S. Military Chief Says Navy Is Able To Guard Gulf Ships

Washington Post Service

WASHINGTON — Admiral William J. Crowe Jr., chairman of the Joint Chiefs of Staff, told the Senate Armed Services Committee on Friday that escorting Kuwaiti tankers through the Gulf would not be a high risk undertaking even though "there are no absolute guarantees that such an operation will be casualty free."

Admiral Crowe urged the lawmakers "not to be stampeded by overly dramatic accounts" of the Gulf war, adding that since the Iraqi attack on the U.S. frigate Stark the Iranians "appear to be even more cautious than previously."

He did not elaborate on Iran's caution before the committee went into closed session to discuss U.S. contingency plans for dealing with Iran's Silkworm anti-ship missile and other threats to vessels in the Gulf.

The Joint Chiefs of Staff believe that we can carry out this mission of having U.S. Navy ships escort 11 Kuwaiti tankers through the Gulf," Admiral Crowe said. "Of course there are no absolute guarantees that such an operation will be casualty free or that Iran will not escape the sea war which will present us with further difficult choices."

"On the other hand," Admiral Crowe said, "we have the capability to keep the oil line to Kuwait open to assure our Arab friends of our commitment and to keep the risks low."

Flanking Admiral Crowe at the witness table were the chiefs of the army, navy, air force and Marine Corps or their designated representatives.

## U.S. Reported to Weigh Raids on Iran Missiles

By George C. Wilson  
Washington Post Service

WASHINGTON — The Reagan administration is debating whether to strike pre-emptively against Iran's anti-ship missiles if those weapons are deployed at the Strait of Hormuz, according to U.S. officials.

Officials said U.S. intelligence agencies estimate that the "Silkworm" HY-2 anti-ship missile could become operational as early as July 1.

The National Security Council has focused on the missile issue,

Senator Sam Nunn, Democrat of Georgia, invited them to elaborate on Admiral Crowe's remarks. The senator said that Congress in crafting the military reorganization act passed last year, wanted to make sure every service chief could speak his mind. None opted to go beyond Admiral Crowe's statement in the open session.

U.S. officials say Saudi pilots acted correctly during an Iraqi attack in the Gulf. Page 3.

Admiral Crowe's portrait of the Gulf as "driving and bustling commercial crossroads, not a no man's land" contrasted with a series of senatorial warnings that the Reagan administration was plunging ahead with a risky operation.

Mr. Nunn said U.S. ships could be subjected to "fanatical attacks" by Iran, "increasing the possibility" that the United States would be drawn into the Iran-Iraq war.

"We must realize that risks have increased" in the Gulf and that Iran might resort to the same "suicide" attack at sea that it has employed on land, said Senator John W. Warner, Republican of Virginia, who just returned from a tour of the Gulf region.

He added that President Ronald Reagan "has the duty to tell the people that we'll go it alone" in the Gulf if military retaliation is carried out.

■ Soviet-Kuwait Agreement  
Jonathan C. Randal of The Washington Post reported from Kuwait: Moscow has secretly agreed to

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A man speaking with U.S. and Italian security guards Friday outside the Villa Condulmer, where Ronald Reagan is staying.

## In Venice, Reagan Seeks Leadership Image

By Lou Cannon  
Washington Post Service

VENICE — President Ronald Reagan will try to rescue his reputation for leadership at home by showing at the summit meeting here that he can still function as an effective performer on the world stage, according to White House officials.

"It's not morning anymore, but it's not the twilight of the Reagan presidency either," said a White House official. His reference was to Mr. Reagan's 1984 campaign slogan, "It's morning again in America."

While the official acknowledged that Mr. Reagan had been damaged by a series of events, especially the Iran-contra affair and the loss of the Senate to the Democrats last year, he contended that the president could still seize the initiative on arms control and other issues during the final 18 months of his term.

But some officials say privately that they doubt Mr. Reagan can do more than simply survive. They are

worried that the 76-year-old president may be slowing down and that the economy may be cooling off after a long period of prosperity.

"There's no juice anymore," said an official in Venice on Thursday, reflecting on the lack of administration initiatives on a trip expected to be the last European visit of the Reagan presidency. Mr. Reagan's nine-day European trip centers on the 13th economic summit meeting of the seven leading industrialized democracies, which opens here Monday.

Even Mr. Reagan, who is usually optimistic, has made few claims for what is shaping up as a summit meeting of low expectations.

In speeches and conversations with allied leaders, Mr. Reagan plans to speak out on subjects including AIDS and economic freedom. White House officials said he will give particular emphasis to arms control negotiations with the Soviet Union and to allied military cooperation to protect the flow of oil supplies through the Gulf.

Officials have cautioned report-

ers to expect few genuine accomplishments.

Mr. Reagan is bringing no new economic proposals. He had planned to celebrate the 40th anniversary of the Marshall Plan that rebuilt Europe with a speech in the historic Roman building where the European Community was born.

However, the speech and Mr. Reagan's Italian state visit were scrapped after the Italian government collapsed.

White House officials privately acknowledged it was unlikely that either Britain, which was holding elections Thursday, or France would join in a cooperative effort to escort oil tankers through the Gulf. West Germany and Japan are prohibited from undertaking military roles by restrictions in their constitutions.

Both France and Britain now provide naval escorts for their own ships through the Gulf. Mr. Reagan has accepted a plan from the Joint Chiefs of Staff to beef up U.S. naval forces in the region and to use them to escort U.S.-registered

Kuwaiti tankers through the Gulf.

After years of urging the allies not to sell arms to Iran, a project known as Operation Staunch, Reagan administration officials will be on the defensive at the Venice meeting because of his own Iran arms deal.

■ Reagan Speaks on Arms

Mr. Reagan said Friday in Italy that Washington and Moscow were

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## U.S. Insurance Companies Planning To Link Coverage to an AIDS Test

By Ronald Sullivan  
New York Times Service

NEW YORK — Several of the largest insurance companies in the United States are planning drastic reductions in the amount of life insurance they will offer to anyone who refuses to take blood tests for the AIDS virus.

A sharp debate has surfaced over the testing of a potential treatment for AIDS. Page 3.

with a high risk of contracting AIDS were buying policies that were double the average amounts.

Currently, 20,849 AIDS deaths have been reported in the United States. The companies said claims

involving AIDS-related deaths accounted for 1 percent of their total death payments.

But they said if the AIDS epidemic continued to spread, as predicted by public health officials, the percentage could increase to 4 or 5 percent, a level, they said, that

would threaten the benefits of all policyholders.

Thomas Stoddard, executive director of the Lambda Legal Services and Defense Fund, a homosexual rights advocacy group, said:

"The insurance companies are trying to create the public impression that thousands of persons are seeking to defraud them by collecting when they die of AIDS."

"They have no data to prove it," he said.

Moreover, Mr. Stoddard said, a positive test result did not mean a person had AIDS or would ever get it. "The contracting of AIDS after a positive test is still low," he said.

Federal scientists estimate that 20 to 30 percent of those carrying the Human Immunodeficiency Virus, or HIV, will develop AIDS within five years of their infections.

Malcolm McKay, senior vice president of the New York Life Insurance Co., the fifth-largest insurer in the United States, said: "A positive test signifies a high probability of AIDS."

On a trip north in 1932, Mr. Stafford said, he met some of his Eskimo cousins.

The two explorers "were up there at one time for four years," Mr. Stafford said. "It's a miracle there was only one descendant of each."

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But the explorers' sons were undaunted. At Arlington Cemetery in Virginia, they spoke of their fathers. Mr. Henson said his was "a great hunter, a leader." Mr. Peary called his "a very nice man."

It had been their lifelong dream to visit the land of their fathers, said Dr. S. Allen Counter, associate professor of neuroscience and director of the Harvard Foundation. Dr. Counter partly sponsored the gathering, which he called a "North Pole Family Reunion."

For Dr. Counter, 39, "Henson was simply my hero."

He said he suspected that Mr. Henson, who had no children by his wife, had left a human legacy in the Arctic after learning from Scandinavian colleagues about very dark-skinned Eskimos in northern Greenland.

Last year, Dr. Counter visited the tiny villages where Ahnaukak Henson and Karree Peary lived. (Their last names were added recently.)

The two men had lived in the same village for 15 years before Karree Peary's mother moved 90 miles (145 kilometers) away.

Mr. Henson had met Admiral Peary in 1888 and went with him on every Arctic expedition. Mr. Stafford said Mr. Henson was "a good

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## Status of Japanese Farmers Erodes

### Critics Say Subsidies Drive Up Prices of Food and Land

By Susan Chira  
New York Times Service

FURUKAWA, Japan — The bright green rice shoots stand in the flooded paddies of Furukawa; the spring planting is over and in a few months the harvest will begin.

For 13 generations, these tasks have defined the life of the Aonuma family — seeding the rice in nurseries, transplanting the shoots to the fields, celebrating the harvest with festive drawings upon Shinto religious rites. Yorichi Aonuma, 51, sees himself as the upholder of that tradition.

But now he feels under siege, both from abroad and, for the first time, from his own countrymen.

The United States is pressuring Japan to drop import bans on rice and a number of other agricultural products. Agricultural protection is on the agenda for the meeting in Venice of major industrialized democracies.

A growing number of Japanese are joining the foreign critics, saying that subsidies and import restrictions drive up food prices and maintain astronomical land prices that make Japanese housing cramped and expensive.

When asked about their personal feelings toward the United States, the Aonuma family said their feelings were neither friendly nor unfriendly, and 13 percent said their feelings were generally unfriendly. Thirty-three percent said they had friendly feelings toward the United States.

"We work to allow others to eat," he said. "So why should we be criticized? Our country has its roots

of hard work and virtue: the salaryman employee.

The critics say that farmers' privileges come at the expense of their urban countrymen. Farmers earn more money on the average than salaried employees, pay lower taxes, because they are allowed a broader range of deductions, and exercise more political power, because electoral districts are heavily skewed toward the rural vote.

A standard-bearer of this attack has been Kenichi Ohmae, a managing director of U.S.-Japan and a well-known economist. Although the percentage of Japanese engaged in farming has dropped to 7.7 percent from more than 50 percent before the war, he asserts, Japanese society and politics have not caught up with this dramatic change.

"Farmers have become exploiters of a system developed 40 years ago when this country was indeed hungry," he said. "They sell a small piece of land and live like kings. By having the right to grow products, they can get subsidies."

Even if 80 percent of their income is from nonfarm sources, that income can be written off," he added.

"Japan's big problem is that we have a lack of prosperity as a whole. It's not lack of land that forces poor living and residential conditions, it's the use of land."

Genji Sato can hardly restrain himself when he hears such accusations. His family, like Mr. Aonuma's, has been farming for 13 genera-

tions.

He was honored with a message from President Ronald Reagan and were given a fancy reception complete with a classical string quartet. Mayor Marion S. Barry of Washington proclaimed Wednesday as Matthew Henson Day.

Around an igloo made of ice, the explorers' sons and grandsons drank colas, posed for photographs and signed autographs. Some of

the relatives spoke only enough English to say "no" when asked if they spoke English.

Karree Peary, who used to hunt walrus, whale, polar bear and fox back home, said he had never seen so many people, such big roads or such large "igloos."

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# India Airlift to Sri Lanka Comes Under Criticism Across the Subcontinent

Reuters

NEW DELHI — The airlift by India of supplies to Tamil areas in northern Sri Lanka has pitted India against the rest of the subcontinent, with both Pakistan and Bangladesh denouncing the Indian action as an intrusion.

No country, not even the Soviet Union, a longtime friend, has publicly supported the action that India says was a humanitarian necessity.

Indian Air Force transports escorted by warplanes dropped 25 tons of food and medicine to Tamils in the Jaffna peninsula of northern Sri Lanka on Thursday. The previous day, Sri Lankan gunships turned back Indian boats that tried to deliver similar supplies by sea.

Both Sri Lanka and India have started diplomatic drives to put across their views of the operation. Diplomatic sources said their envoy around the world were briefing their host governments.

India says it is providing food because the Jaffna people, with close links to the 50 million Tamils in India, face severe hardship after a five-month economic blockade.

Sri Lanka says no outside assistance is necessary because Colombo can provide all Jaffna's requirements. Colombo calls the air drop an assault on Sri Lanka's sovereignty and territorial integrity.

The Indian foreign minister, Narain Dutt Tiwari, who is in Moscow, discussed the affair with Mikhail S. Gorbachev. The Soviet leader was said to have "displayed a perfect understanding of our analysis of the Sri Lankan situation."

Besides complaining to the United Nations, Sri Lanka has called for a special session of the South Asian Association for Regional Cooperation to discuss Thursday's air raid.

A Sri Lankan official said Friday that Colombo would seek help in building an air defense system. The Associated Press reported from Colombo. The official said President Junius R. Jayewardene would make a request to a friendly country in South Asia for help in building air defenses. He did not name the country.

The seven South Asia association foreign ministers are due to meet in New Delhi on June 17, but one Indian official said he expected Sri Lanka to boycott that meeting.

The Press Trust of India news agency quoted an official as saying that India is ready to discuss the issue at the South Asia association meeting.

The operation has evoked expressions of concern around the world and has had a mixed reception even in India itself. Politicians and newspapers supported it but many Indians privately expressed doubts both about its wisdom and about the view it represented of India as a regional power.

The strongest outside condemnation came from Pakistan, which has fought three wars with India in 40 years.

A Foreign Ministry spokesman in Islamabad described the air drop

as a grave violation of the principle of noninterference in the internal affairs of other countries.

Bangladesh was more guarded. A Foreign Ministry spokesman said Bangladesh did not as a matter of principle favor the violation of the territorial integrity, including the airspace, of other countries.

In Washington, the State Department expressed regret at the failure of India and Sri Lanka to agree on how to deliver relief aid.

The United Nations secretary-general, Javier Pérez de Céspedes, said he was watching the situation with concern and appealed for restraint.

Tamil militants began a guerrilla war four years ago to achieve a separate homeland in northern and eastern Sri Lanka, where most Tamils live. About 6,000 people, mostly civilians, have been killed in the conflict. The army waged a major offensive against guerrilla strongholds in the north last week and early this week.



Arthur Teng/Reuters  
Buddhist monks marching in the Sri Lankan capital to protest the Indian airlift to Tamils.

## Manila Insurgency: Still No End in Sight

By Keith B. Richburg  
*Washington Post Service*

MANILA — Nearly four

The causes of the insurgency are still there."

A six-month amnesty program announced in February has brought down only about a thousand Communist regulars, not enough to offset the insurgency's continued growth of about 9 percent over the last year, according to military estimates.

The Communists still operate in more than 60 of the country's 74 provinces, and have stepped up their activities in the cities with dramatic assassinations.

prompted recent concern from Pentagon officials in Washington.

Mr. Ito and other military analysts blamed the poor state of the military's counterinsurgency campaign on an army grown stale during a long period of abuse under former President Ferdinand E. Marcos, continuing internal divisions in the ranks, and a lack of supplies from the United States.

### ■ Manila Assassination

A police captain was shot to death in his car Friday, the fifth

destroy all threats to democracy from the left and the right in five years. And I will take all measures necessary to achieve this aim."

The president made the pledge during a speech to graduates of the military Command and General Staff College.

In other developments:

• **Business Day.** A respected financial newspaper plagued with labor troubles announced it was closing Friday after 20 years of operation. In a front page notice to subscribers, the publisher, Raul Locsin, said "circumstances beyond our control" made it impossible to continue publication at its standard of fairness, integrity and credibility.

The announcement followed a ruling by Labor Secretary Franklin M. Dilon ordering reinstatement of three leaders of the employees union, who were dismissed early this year after a wage dispute. (AP)

• **A U.S. appeals court in San Francisco** overturned a lower court ruling late Thursday that had frozen all Philippine assets linked to Mr. Marcos.

The new ruling said an American court cannot judge whether a central issue in the case — Mr. Marcos's imposition of martial law in 1972 — was legal. The opinion stated that American courts do not have the power to decide whether Mr. Marcos's wealth was stolen since he was acting as the recognized president of the Philippine government. The Supreme Court could still be asked to decide the matter.

In Honolulu, Mr. Marcos said the decision proves the groundlessness of allegations that he and his wife stole the money.

"It seems to conclude that they have not substantiated the allegations of ill-gotten wealth," he said in a telephone interview. "That seems to be the point." (Reuters)

'A constitution isn't going to give you three square meals a day. You need land reform, dams, roads to markets. The causes of the insurgency are still there.'

— A diplomat

But while the military has proven unable to defeat the rebels on the ground, the Communist Party of the Philippines and its military wing, the New People's Army, have also reached what is perhaps their weakest and most vulnerable point in the history of the insurgency, analysts said.

Since Mrs. Aquino came to power 15 months ago, the left has been rebuffed twice by voters, who overwhelmingly approved a democratic constitution and who in May turned out in record numbers to support Mrs. Aquino's moderate-centrist candidates for senate and congress.

The New People's Army has been hurt badly by the proliferation of local anti-Communist vigilante groups that have driven the rebels from some of their traditional strongholds, like Davao City in Mindanao.

The military's inability to exploit the Communists' weaknesses has

victim of assassination squads in Manila within 24 hours. Reuters reported from Manila. A police spokeswoman said three young men ambushed Captain Jaime Dela Paz while he was driving to work.

On Thursday, suspected Communists struck twice in the Manila area, killing a police chief, two subordinates and a soldier. No one has claimed responsibility for the killing.

Officials suspect commando teams, usually of three men or women, formed by the New People's Army to kill lawmakers.

The Associated Press reported, meanwhile, that Mrs. Aquino vowed Friday to crush the rebels and promised to raise a citizen's army to fight insurgency on its home ground.

"I also pledge that I will not compromise the security of our people," Mrs. Aquino said. "I will not relent in my determination to give you three square meals a day," a diplomat said. "You need land reform, dams, roads to markets

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## JAPAN: Farmers Face Criticism

(Continued from Page 1) erations, and he continues to tend the paddies and pigs. He is up at 5:30 A.M. to feed the pigs, takes a brief break for breakfast at 7 A.M., heads out to the paddies and stops only for dinner at 7 P.M.

"Their life seems better than ours," he says of Japan's salaried employees. "They can travel, while I work all year round, including weekends. Their wives don't have to work, and mine does."

Without help from the government, Mr. Sato and other Furukawa farmers say, they could not make a living from farming. Partly because of the postwar American-imposed land redistribution, which broke up large landholdings and distributed land to tenant farmers, most plots remain too small to be farmed profitably.

The average size of rice fields in Furukawa is slightly under three

and a half acres (1.4 hectares). As it is, only 627 of the 4,613 farming households in the area receive all their income from farming, a trend reflected in the nation as a whole.

Although surveys show that most consumers still back the "food security" argument, this consensus appears to be breaking down. Big business groups are urging a closer look at these controls and the Agricultural Ministry itself has appointed a study group to examine them.

### CONTRA: Hakim Testifies

(Continued from Page 1) invasion, with or without the government of Iran's assistance.

• Mr. Hakim testified Thursday that Colonel North appeared to have been fully aware that a secret \$200,000 Swiss bank account had been set up for him and that Mr. Hakim had made him a beneficiary in his will for \$2 million.

This assertion, made under questioning, reversed his testimony Wednesday in which he insisted that Colonel North had known nothing of financial transactions Mr. Hakim had made in the colonel's favor. (AP, UPI)

### ■ Abrams Urged to Resign

Robert C. Byrd, the Senate majority leader, on Friday urged Elliott Abrams to resign as assistant secretary of state for Latin American affairs.

Mr. Byrd, Democrat of West Virginia, said Mr. Abrams could not continue as the "main man" of the administration's Latin America policy because "no one" in Congress trusts him.

"Whatever credibility he has is gone, shot completely," Mr. Byrd said. He characterized Mr. Abrams's testimony in the Iran arms affair as "deceptive and shows an arrogance typical of this administration so often."

Mr. Abrams admitted he misled Congress when he testified in November 1986 that he knew of no efforts by government officials to solicit aid for the Nicaraguan rebels from other governments.

Court officials said, meanwhile, that the authorities in Saint-Joseph Prison had confiscated Barbie's television set this week, apparently because prison officers had been irritated that he was watching the French Open tennis tournament as his trial was in progress.

The trial resumes on Tuesday.

## Barbie Hears Testimony of 2 Arrested By Gestapo

By Julian Nundy  
*International Herald Tribune*

LYON — Klaus Barbie was brought into court against his will Friday to hear testimony from two witnesses who said they had met him during World War II.

Both witnesses, members of the French Resistance who had been arrested by the Gestapo, identified Barbie in court.

One of the witnesses, André Courvoisier, 77, spoke directly to Barbie. "Mr. Barbie, do you not recognize me?" he said. At this, Barbie shook his head.

"But I recognize you," Mr. Courvoisier said, "and I am going to tell you why."

At this comment, Judge André Cerdino interrupted the witness, who, under French law, is allowed to address only the judge and not the defendant. The witness then told the court that Barbie's eyes looked the same on Friday as they did in February 1943.

Barbie, who came into the courtroom unarmed, is charged with crimes against humanity for his role as an SS officer during World War II.

On Friday, he sat at the trial for 70 minutes as the witnesses told of their arrests in Lyon, where Barbie served as an SS officer.

Barbie refused to respond to the allegations against him. He did speak, however, when challenged on his SS training by one of the civil trial lawyers.

Asked if he had attended courses on "the Jewish question" given by Adolf Eichmann, Barbie replied: "I never knew Eichmann. I never met him." The lawyers had decided to put questions despite Barbie's silence.

After Mr. Courvoisier left the stand, the state prosecutor, Pierre Truche, challenged Barbie to speak, telling him it might be his last chance to do so during the trial.

Barbie explained his refusal to do so by repeating an earlier argument that he was "juridically absent" because of his forced departure from Bolivia.

On May 13, the third day of his trial, he walked out of court, contending that his 1983 expulsion from Bolivia to France was illegal.

Since then, he has been ordered back to court once, on May 26. But on that occasion, witnesses were called only to identify him; he was not obliged to listen to their testimony.

The prosecutor told Barbie that he was living "a fiction." He said Barbie would never return to Bolivia and that his trial would be completed.

Julie Franceschini, 78, told how Nazi torturers, including a French collaborator, François André, had plunged her head into a bathtub full of water in which previous prisoners had vomited. Barbie was present throughout the night of interrogation, she testified.

Barbie showed no signs of recognition as Mrs. Franceschini recounted how a French woman warden gave her two hard-boiled eggs at Easter of 1944, instructing her not to give them to the Jew, a young boy who was in her cell in Montluc Prison.

She said she had given the eggs to the boy. She cried as she told how the boy had hugged her and asked: "So you like Jews?"

Shortly after, some SS children took the boy and "kicked the child to death outside the door of my cell with their boots," Mrs. Franceschini said.

On Friday lawyers for the civil plaintiffs asked the judge to call a Swiss financier, François Genoud, as a witness.

They said that Mr. Genoud was a Nazi sympathizer who, several lawyers have alleged, arranged the financing of Barbie's defense. They said he was in charge of the "Nazi war chest" — valuables and money that had been looted from victims during the war.

Barbie's defense lawyer, Jacques Vergès, maintains that he is providing his services free for Barbie. He was taken on in 1983 by Barbie's daughter, Ute Messner, a schoolteacher in Austria.

At least one lawyer has said that Mrs. Messner was accompanied by Mr. Genoud when she met Mr. Vergès for the first time. Barbie's son and wife are dead, making Mrs. Messner his only close relative.

Several lawyers and French press reports have said that Mr. Genoud, who lives in Lausanne, provided money for the defense. Mr. Genoud fought court battles in the 1950s to gain royalty rights to several Nazi writings.

Judge Cerdino said he would study the request to summon Mr. Genoud, ostensibly to discuss the Nazi funds that the civil party lawyers alleged he still managed.

Mr. Vergès said he saw no reason to call Mr. Genoud to testify, but raised no serious official objection.

Barbie's appearance marked roughly the halfway mark in a trial in which the only evidence against him has been heard so far. The testimony Friday was the last from witnesses who claim to have met Barbie during the war.

Court officials said, meanwhile, that the authorities in Saint-Joseph Prison had confiscated Barbie's television set this week, apparently because prison officers had been irritated that he was watching the French Open tennis tournament as his trial was in progress.

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## WORLD BRIEFS

### Spain Bans New South Africa Dealings

MADRID (Combined Dispatches) — Spain banned on Friday new direct investment in South Africa to press for the abolition of apartheid, a spokesman for the Foreign Ministry said.

The ban would bring Spanish companies in line with European Community policy. The spokesman said the ban did not apply to existing investment or to investment by multinational companies in which Spanish companies had interests.

The U.S. Catholic Conference announced on Thursday that it would rid itself of \$5.3 million in investments in American companies that continue to do business in South Africa. (Reuters, UPI)

### Belgrade Pardons Armenian Assassin

BELGRADE (AFP) — Yugoslavia has granted a pardon to an Armenian guerrilla serving a 20-year prison term for the March 1983 assassination of the Turkish ambassador to Yugoslavia, Galip Balkar, the Tanjug press agency reported Friday.

A group called the Justice Commando for the Armenian Genocide claimed responsibility for the killing. Haroutoun Levonian, 26, was pardoned "on humanitarian grounds," Tanjug said. The Armenian was badly wounded while trying to escape from the police and has since been paralyzed. His condition has recently deteriorated, Tanjug said.

Rafiq Elbekian, 23, who was Mr. Levonian's accomplice in the attack on the ambassador, is serving a 15-year sentence. Both men confessed to killing Mr. Balkar and injuring his chauffeur. But they have denied killing a Yugoslav student and wounding a colonel in their attempt to escape. They claimed the two were mistakenly shot by police.

### Israel Considers Envoy for U.S. Post

JERUSALEM (NYT) — Moshe Arad, Israel's ambassador to Mexico, has been summoned to Jerusalem to be interviewed by Prime Minister Yitzhak Shamir about possibly becoming Israel's next ambassador to the United States, government sources said Friday.

They said that Mr. Shamir and Foreign Minister Shimon Peres, embarrassed by not being able to agree on a successor to Meir Rosenne, the former ambassador to Washington, had decided on a hasty compromise. Mr. Arad apparently already has the endorsement of Mr. Peres and is to meet Sunday with Mr. Shamir.

Mr. Rosenne's term ended June 1, and many U.S. officials and American Jews let Israel know they were distressed that the country, which receives \$3 billion a year in foreign aid from the United States, no longer had an ambassador in Washington due to a squabble in the "national unity" government.

### Speaker of Chamber Resigns in Beirut

BEIRUT (AP) — Hussein Husseini, the speaker of Lebanon's Chamber of Deputies, resigned Friday, accusing President Amine Gemayel of failing to crack down on rightist Christian extremists who he blames for assassinating Prime Minister Rashid Karim.

The resignation of Mr. Husseini, a Shiite Moslem, aggravated

## AMERICAN TOPICS



**RETURN TO SENDER?** — A Dade County, Florida, police sergeant removing a three-foot-long boa constrictor from a mailbox. The officer took the boa, which was discovered by a postal worker, home for a night when wildlife officials failed to claim it.

**Visitor to U.S. Tells Of Grueling Welcome**

*The New York Times* published the following letter from Jan J. van Willegen of Baarn, the Netherlands:

For years, I have visited New York on business and have been obliged to go through the long, irritating procedure of clearing United States Customs and Immigration. My most recent trip was no exception.

After a tiring Atlantic flight, I and a vast crowd of other travelers were forced to remain, standing in a long, narrow corridor reserved for those who carry foreign passports. Getting out of the building took two hours.

During this seemingly interminable wait, we had the opportunity to stand at the wall on which the word "welcome" is written in 15 languages. Older passengers became faint, but there was not even a bench on which to rest. At the booths, agents pore through huge, medieval-looking books which, amazingly, have not been replaced by computers.

If the government truly wants to encourage travel to the United States — whether for business or tourism — there must be a better way of demonstrating it. I feel certain that if American travelers to Europe

were treated as we are here, it would be considered intolerable. It is to be hoped that our courtesies toward United States visitors will, some day soon, be returned in kind.

**Short Takes**

When Paul A. Volcker resigned this week as chairman of the Federal Reserve Board, he had acquired the reputation of being "the second most powerful man in the country." But he appears to have no aspirations to becoming the first most powerful. Although Mr. Volcker, 59, a Democrat, is widely credited with having superb political skills, he has never run for office. A spot check around Washington by Robert C. Simer of the International Herald Tribune drew comments like "the chances are zero," "inconceivable" and "it's the last thing he would do." A spokesman at the Fed, Joseph Coyne, laughed at the question, adding that Mr. Volcker has "not considered running for the presidency or any other political office" and has "not given any thought" to his future plans.

New York City has adopted an "inclusionary zoning" plan designed to make it easier for low-income families to stay in a neighborhood where luxury

— ARTHUR HIGBEE

ranking PTL official said Thursday that the \$50,000 contribution to the Bronx church was actually intended for Miss Hahn.

Ms. Cortese's lawyer, Michael Quian of Paramus, New Jersey, said his client has denied any wrongdoing. He said the \$50,000 from PTL was used for church renovations.

The suggestion of a link comes as the Internal Revenue Service, the Justice Department and the Federal Bureau of Investigation are unraveling the tangled finances of Mr. Bakker's time at PTL.

In the Wedtech case, a federal grand jury has indicted seven men, including Representative Mario Biaggi, Democrat of New York, whose district includes the East Bronx. He was indicted on bribery charges stemming from several investigations into how the company got millions of dollars in federal defense contracts, often without competitive bidding.

Mr. Garcia was not indicted and has maintained his innocence. Investigators said that they have had trouble tracing the expenditure of \$60,000 given to the Bronx church by Wedtech and Mr. Marotta, a Roman Catholic who has made contributions to a variety of religious groups. They said it had been commingled with other accounts held by the church.

"We just don't have the money to pay their salaries," Mr. Robertson said on his television show. He said the network also has dropped its toll-free telephone line and will scale back its Operation Blessing, which distributes money for charity.

Mr. Robertson, who is considering a bid for the Republican presidential nomination, said the network has lost \$12 million through the end of last month and projected a loss of \$28 million by the end of the year. He blamed scandals involving other evangelists.

The \$50,000 check from PTL was sent on March 15, 1985. That was 16 days after the Reverend Richard Dorrich, a member of the PTL board, arranged a series of payments to Miss Hahn.

**U.S. TV Preacher Discloses Layoffs**

*The Associated Press*

**VIRGINIA BEACH, Virginia** — The Reverend Pat Robertson announced Friday that he has laid off 500 employees from his Christian Broadcasting Network because of a drop in donations caused by controversies at other television ministries.

"We just don't have the money to pay their salaries," Mr. Robertson said on his television show. He said the network also has dropped its toll-free telephone line and will scale back its Operation Blessing, which distributes money for charity.

Mr. Robertson, who is considering a bid for the Republican presidential nomination, said the network has lost \$12 million through the end of last month and projected a loss of \$28 million by the end of the year. He blamed scandals involving other evangelists.

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**PTL and Wedtech Scandals Converge In Donations to an East Bronx Church**

By Samuel G. Freedman

*New York Times Service*

**NEW YORK** — The vectors of two seemingly unrelated scandals intersected this week at an East Bronx church, appropriately named the Cross Road Tabernacle.

Federal officials who are investigating the Wedtech Corp., a military contractor in the South Bronx, confirmed a report that the company and its founder, John Marotta, had given the church \$80,000. They said only \$20,000 of that is accounted for.

Representatives of the church and the PTL television ministry said that the ministry's former leader, the Reverend Jim Bakker, had donated \$50,000 to the Cross Road Tabernacle. How that money was spent remains unclear.

Federal investigators and the new PTL leadership are asking the same question: Did the \$60,000 — or the \$50,000 — go to buy the silence of Jessica Hahn? Miss Hahn, a former church secretary from Long Island, had a twist with Mr. Bakker in 1980 that eventually led to his downfall.

How could the same Bronx church attract the attention of Wedtech and PTL? Because of its spiritual leader, the Reverend Jim Bakker.

Ms. Cortese, the minister at the Cross Road Tabernacle, has been a member of the PTL board of directors since 1979. She and Mr. Bakker were ordained by the Assemblies of God.

Her brother, Robert Garcia, a

Democratic congressman whose district includes the South Bronx, has been described by law enforcement officials as a target of the Wedtech investigations.

Ms. Cortese's lawyer, Michael Quian of Paramus, New Jersey, said his client has denied any wrongdoing. He said the \$50,000 from PTL was used for church renovations.

The suggestion of a link comes as the Internal Revenue Service, the Justice Department and the Federal Bureau of Investigation are unraveling the tangled finances of Mr. Bakker's time at PTL.

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**Salvadoran Leftists Increase Pressure**

**Rebel Activity in Capital Indicates a Weakening Duarte**

By James LeMoyne

*New York Times Service*

**SAN SALVADOR** — Carrying out a pledge they made last year, leftist rebels and their supporters have sharply stepped up their political and military activities here in the Salvadoran capital in the last month, seriously harassing the government.

The guerrillas and their backers have shown remarkable determination in bringing the war and their political struggle to the city to the greatest extent in the last four years.

They have burned buses, ambushed police units and bombed electrical installations, and have started to rebuild their urban front groups and a new trade union movement.

Bombs and gunfire are heard most evenings somewhere in San Salvador, and residents and political leaders appear nervous.

The government does not appear seriously threatened, but the presence of the rebels is seen by many as part of a gradual decline in President José Napoleón Duarte's ability to govern. Mr. Duarte completed his third year in office this week.

"There is no question that the government is weakening," said a diplomat in San Salvador. "There has been a marked deterioration in the last six months."

The rebels appear to have the active support of only a limited number of committed and highly organized backers in the city.

"This is far broader, disconcerting to the government, and we are demonstrating to show it," said Bernardo Zamora, a leader of the main student union as he marched past burning tires Tuesday in a demonstration in the city's center.

The protests are held almost weekly by unions and students sympathetic to the Marxist-led Farabundo Martí National Liberation Front, the guerrillas' umbrella organization, which is in its eighth year of war against the government.

In the countryside, the rebels have kept up pressure on the army with frequent ambushes.

After a devastating raid in April in which they killed and wounded almost 200 soldiers at a major army fort, the rebels penetrated the garrison town of San Francisco Gotera last month and mortared the main army base there. It was the first time they have been able to carry out such a raid in almost four years.

The resurgence of the rebels also is an indication that U.S. policy in El Salvador will be severely tested in the year ahead and that the country's problems are far from solved, despite more than \$700 million in U.S. aid this year.

Now almost every week the U.S.

**U.S. Officials Back Saudi Actions in Gulf Attack**

By David K. Shipley  
*New York Times Service*

**WASHINGTON** — The Iraqi missile attack on the U.S. frigate Stark last month has complicated Washington's military relationship with Saudi Arabia, whose pilots declined to intercept the Iraqi plane after its strike.

Officials in the Pentagon, the State Department and the White House say the Saudi pilots and ground controllers performed correctly, following strict guidelines imposed earlier by the United States to preclude Saudi Arabia from using American-built F-15s against Israel or other countries.

In Congress, however, anger over the May 17 incident has contributed to an expanding effort to block the Reagan administration's plans to sell the Saudis 1,600 air-to-ground Maverick missiles, worth \$360 million.

As of Thursday, 52 senators had agreed to co-sponsor a resolution of disapproval, which would need 67 votes to sustain a presidential veto.

The congressional opposition, which may affect other planned arms sales to the Saudis, comes just as the administration is trying to persuade Saudi Arabia to provide some air cover for American ships in the Gulf and possibly landing rights for American fighter planes.

It was for this purpose that Defense Secretary Caspar W. Weinberger met Thursday in Nice, France, with the Saudi defense minister, Prince Sultan bin Abdul Aziz. According to the Saudi embassy in Washington, "needs of the kingdom" were discussed, an indication that the arms sales came up.

Administration officials said they doubt the Saudis want to risk getting into combat on behalf of the United States without some assurance that U.S. arms will be forthcoming.

"It's a reciprocal relationship," said an administration official. "They can provide some help, if they have the political will. They have to have confidence in our staying power."

"This is a test," he said of the proposal to sell Maverick missiles, "and if they don't think we pass the test, why should they put themselves in harm's way?"

He and other administration officials defended the Saudi refusal to intercept the Iraqi jet that attacked the Stark, apparently by mistake, killing 37 U.S. sailors.

Officials said that in recent years, as the Saudis obtained advanced AWACS surveillance planes and F-15 fighters, questions of how the aircraft would be used were discussed in detail, with contingencies such as an attack on an American ship being considered.

"We said the Saudi mission was to defend the AWACS and to defend Saudi territory," one official said. "In international zones, we would take care of our own."

Consequently, he said, when the Iraqi plane was detected by an AWACS, Saudi F-15s were scrambled to protect the surveillance aircraft. And when a controller in the AWACS reportedly asked the Saudis to intercept the Iraqi plane as it returned from its attack, the Saudi pilots insisted on checking with their ground controller, who had to check with his superior.

One administration official said he found it "reassuring that there's discipline."

Another official drew an analogy. "What would we do," he asked, "if an Italian ship off North America was accidentally fired at by a Canadian airplane, and the Italian ship said, 'Help!'"

**Stockpiles in U.S. Would Ease Cutoff, Oil Official Asserts**

*New York Times Service*

**WASHINGTON** — Even a complete cutoff of oil from the Gulf might cause no shortages in the United States for two months, according to Charles J. DiBona, president of the American Petroleum Institute.

Responding to inquiries caused by the attack on the U.S. guided missile frigate Stark, Mr. DiBona said Thursday that substantial stockpiles and idle capacity elsewhere served as buffers against any loss of Gulf oil.

A cutoff might prompt the United States and other countries to be prudent with their stockpiles to assure stable supplies and prevent price increases, Mr. DiBona said.

But the effect could be felt by the United States when European and Japanese buyers rushed to buy oil wherever they could find it, causing higher prices and redirected supplies, he said.

The guerrillas say they are optimistic about their prospects, and conditions appear to support their cause. El Salvador faces declining economic conditions, rising inflation, a sharply rising population and growing political pressure for change at a time of seeming paralysis in the government.

In the countryside, the rebels have kept up pressure on the army with frequent ambushes.

After a devastating raid in April in which they killed and wounded almost 200 soldiers at a major army fort, the rebels penetrated the garrison town of San Francisco Gotera last month and mortared the main army base there. It was the first time they have been able to carry out such a raid in almost four years.

The resurgence of the rebels also

**Debate Surfaces Over an AIDS Treatment**

By Larry Thompson  
*Washington Post Service*

**WASHINGTON** — We are forced to conclude that there is no scientific basis to believe that Peptide T is effective.

With that remark Thursday, Dr. William Haseline of Harvard University made public a controversy brewing for months just below the surface of scientific and professional civility.

His comment came during a plenary session of the Third International Conference on AIDS here.

"It has been very upsetting," said Dr. Candace Pert, a neuroscientist at the National Institute of Mental Health and the discoverer of Peptide T.

The debate appears to be as much about the intense competition among groups within the AIDS research community as about science. Research on acquired immune deficiency syndrome, for which no cure has been found, has produced a number of controversies, including the effectiveness of another drug, ribavirin.

The Food and Drug Administration has authorized Dr. Pert to conduct tests of Peptide T, a synthetic substance, on humans.

Peptide T, a small section of protein building-blocks, purportedly mimics the part of the AIDS virus that helps the virus infect white blood cells. Under the theory, Peptide T prevents infection by fitting into the white blood cell where the AIDS virus otherwise infiltrates, just as one key in a lock blocks another.

Dr. Pert said Peptide T fits the cellular lock. Dr. Haseline disagrees, saying:

"Peptide T does not work. Nothing. Nada." He said he believes that the peptide fails to block the virus because it does not fit any sensitive part of the target molecule on the cell's surface.

Dr. Haseline said that several laboratories around the world have been unable to duplicate experiments by Dr. Pert. Several other scientists, who asked not to be named, also said they question the Peptide T data.

On Thursday, however, Dr. Elaine Kinney-Thomas from OncoGen, a Seattle biotechnology company, reported that Peptide T blocks AIDS virus infection in laboratory-grown cells.

**Policy Ridiculed At AIDS Parley**

*WASHINGTON* (UPI) —

Several hundred people stood in protest, shouting comments and laughing during the U.S. health and human services secretary's remarks Friday at the conclusion of the Third International Conference on AIDS.

In fact of the protest, the secretary, Otis R. Bowen, added a final comment to his prepared speech: "I don't object to your protest," he said. "I shall not turn my back on the problem of AIDS or the people who have it."

The protesters, many of them medical researchers, appeared to be following the lead of a flyer circulated beforehand.

The flyer said that President Ronald Reagan's administration's AIDS policy "shows ignorance and contempt for the collective wisdom of the world medical and scientific community."

The protesters, many of them medical researchers, appeared to be following the lead of a flyer circulated beforehand.

# INTERNATIONAL HERALD TRIBUNE

Published With The New York Times And The Washington Post

## Lies and More Lies

### Deceit and Enrichment

Two patterns emerge starkly from the Iran-contra hearings: of deception and self-enrichment. The Reagan administration admits, with painful reluctance, that it misinformed Congress and the public about its secret activities in Nicaragua. Just as reluctantly, participants in the arms supply operation to the contras reveal how they used the cloak of secrecy for private gain.

These patterns contain ugly questions that do not stop with Elliott Abrams, the assistant secretary of state for inter-American affairs and Lieutenant Colonel Oliver North. Congress finds it understandably difficult to believe Mr. Abrams. Yet Secretary of State George Shultz gives him his "full and complete confidence." And although Colonel North appears to have received a variety of personal benefits, from life insurance to snow tires, President Reagan has yet to modify his view of him as "a national hero."

Last Nov. 25, Mr. Abrams told Congress that the administration had not raised funds for the contras from other countries. That was untrue. Truthful answers might have led Congress to uncover the White House-sponsored "private" arms network. Mr. Abrams fenced and fibbed even as the White House was announcing the diversion of Iran arms money and the discharging of Colonel North. Mr. Abrams now says he lacked "authority" to divulge that deal. He had sworn to keep secret the Sultan of Brunei's contribution of \$10 million. Committee members rightly replied that Mr. Abrams had no right to promise such secrecy, and certainly had no duty to lie about it in testimony.

The White House and Mr. Abrams blundered by not delivering the money to the needy Nicaraguan rebels. Mr. Abrams now polishes that blunder into a defense. He

contends that since the money had not arrived — it was sent to the wrong Swiss bank account — he could legitimately deny that it had been raised. For good measure, he took a week to ponder his deceptions before acknowledging his error to Congress.

More: Last fall the Nicaraguan supply mission was exposed by the downing of the plane bearing Eugene Hasenfus, the American cargo chief. At the time, Mr. Abrams categorically denied that the administration was involved. His defense? He didn't know about it. Why? Because he now admits, he consciously refused to inform himself — despite orders from Mr. Shultz to keep tabs on Colonel North. He now employs his supposed ignorance to contend that he truly believed his inaccurate public assurances.

Layers of lies. Testimony this week also revealed that a Catholic priest who once told Congress that Sandinista had dressed up as contrast to commit atrocities was himself a fake priest. And who arranged for his congressional appearance, in costume? None other than Colonel North.

Other testimony further suffices the colonel's image as a selfless patriot. His private partners in the arms enterprise, Richard Second and Albert Hakim, seem to have provided him with a \$200,000 package of fringe benefits and made him heir to \$2 million in arms profits. And he seems to have extracted money for groceries and snow tires from travelers' checks intended for the contras.

Congress has a right to wonder how any honorable dealings are possible with Mr. Abrams, who even now makes no pledge to be more curious or careful, or with a secretary of state whose spokesman describes Mr. Abrams as "sensational." Congress must wonder also about the judgment of a president who has yet to disown Colonel North.

— THE NEW YORK TIMES.

### Congress Can't Accept

The testimony of Elliott Abrams was in many respects the most revealing and painful yet heard in the Iran-contra hearings. Here was a ranking State Department official showing himself to be an enthusiast so committed to the pursuit of a challenged policy that he had been prepared to set aside considerations — frankness, openness, the building of trust — that should be the basic and vital stuff of government business, especially when the policy is hotly contested.

The assistant secretary of state for inter-American affairs presented himself as the scrupulous and unoffending victim of an administration's division of labor in which the State Department had only one walled-off part, and perhaps not the principal part, of the president's Nicaragua policy. But to conduct his assigned business and meanwhile keep himself plausibly in the dark about the rest, traces of which were to be seen almost everywhere, was truly a meticulous and demanding labor. Mr. Abrams performed it with a diligence that alternately saddened and enraged those who heard his tale.

Certainly a measure of political vengeance

was taken on the essentially unrepentant Mr. Abrams by some who questioned him. Congress, after all, is embarrassed to have failed so dismally in its duty of oversight. And it recurrently provided the administration with revised rules of the game, which it had to know was being played right up to the edge of what was allowed. The main thrust of the questioning, however, fell elsewhere.

"We cannot advance United States interest if public officials who testify before the Congress resort to legalisms and word games, claim ignorance about things they either know about or should know about and at critical points tell the Congress things that are not true," said chairman Lee Hamilton. To us, this summary of congressional sentiment was neither partisan nor narrowly protective of congressional prerogative, but legitimate and expressive of the core requirement of democratic policy making.

Mr. Abrams at once received a ringing endorsement from Secretary of State George Shultz. But Congress has made clear that it cannot accept the kind of relationship with the State Department and the administration as a whole that emerged from Mr. Abrams's reluctant testimony.

— THE WASHINGTON POST.

## The Greenspan Board

Alan Greenspan will take over the chairmanship of the Federal Reserve Board at a time when the board is, by any historical standard, conspicuously weak. The chief defect is inexperience. While the chairman usually gets most of the public attention, there are in fact seven seats at the table, and all members' votes count equally in the decisions that set America's monetary policy.

Central banking is an esoteric and specialized business. For that reason, members' terms are set by statute at 14 years, with one term expiring every other year. But an unusual cycle of resignations has disrupted that orderly progression. Except for the outgoing chairman, Paul Volcker, no member of the present board has as much as three years' tenure: only one member has more than 18 months on the board, and one seat is vacant.

As recently as five years ago, the board was very much a mandarin. All but one of the seven members were professional economists. Most had worked at staff level in the Federal Reserve System before their appointments, and a couple had spent most of their careers there. As a group they represented a very high level of expertise and intellectual capacity; the board's shortcoming in those years was a lack of representation of the world that it regulates.

— THE WASHINGTON POST.

## Segovia Was Here

"Anyone who desires to survive into vigorous old age," Donal Henahan, music critic of The New York Times, wrote last year, "can improve his chance dramatically by arranging to be born with extraordinary talent as a musical performer." Andres Segovia, like Pablo Casals and Arthur Rubinstein, made such an arrangement. When he died this week at 94, he was watching television with his 17-year-old son — and perhaps wondering when he could reschedule the Carnegie Hall appearance he had to cancel last month.

He said once that he wanted to redeem the guitar from flamenco, create a repertory and public and win for it "a respected place in the great music schools along with the piano, the violin and other concert instruments." He

did all that and more. There are millions who might not have been introduced to Bach and Scarlatti, Haydn and Mozart if they had not first been introduced to Segovia.

They met him when they were young, hanging out not at concerts but in beatnick coffee houses and college dormitories. They listened to the intricate, delicate, powerful recordings and dreamed of capturing the sound on their own guitars, and they shushed anyone who dared speak or crumple a paper. The famous "Segovia hush" embraced the dorm room as surely as it did the concert hall. Today one can hear street musicians playing Bach. "Ah," the listener says to herself, "Segovia was here."

— THE NEW YORK TIMES.

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## OPINION

### The World Wants Reassurance in Venice

By Kjell-Olof Feldt

The writer is Swedish minister of finance.

STOCKHOLM — The leaders of the seven largest industrial democracies gather in Venice this weekend amid growing uncertainty about the outlook for the world economy. Their communiqué is likely to contain reassurances that the industrial economies will be doing reasonably well in terms of growth and inflation in the next year or two, and that governments have things firmly under control. But we all know that the economic outlook is exceedingly uncertain.

The world can see on a daily basis how markets remain unimpressed by government declarations, and impose their own solutions. There is an obvious gap between governments' words and deeds. Especially, the drift into protectionism which can be seen in a number of countries is taken as a sign that governments do not believe that present economic policies will work.

Interestingly enough, there seems to be a higher degree of consensus than we have seen in a long time on the facts and their implications for the broad direction of economic policy. Everybody seems to agree:

• that a central problem is how to reduce the present large imbalances between major countries in ways that strengthen rather than weaken world economic growth;

• that the correction of external imbalances should be brought about more by differences in demand growth between countries than by further exchange rate changes;

• that fiscal policy must assume a major responsibility when it comes to producing the desired differences in domestic demand expansion;

• that economic policies, monetary as well as fiscal, need to be closely coordinated.

This degree of common understanding is considerable progress in itself. It is in striking contrast with the situation only a few years ago, when policy coordination and active use of fiscal policy were strongly resisted by influential countries.

Today's disagreements seem to center more on the degree of action needed and on the distribution of responsibilities between the major actors. Unfortunately, there is a tendency to try to shift the main burden of responsibility onto somebody else. The trend toward mutual reprimand across the Atlantic and the Pacific must be turned around.

I am convinced that it will not be possible to stabilize exchange rates at current levels unless further substantial adjustments are undertaken in

the world economy and investment.

In Japan, the difficulties in getting the budget through the Diet have created considerable uncertainty. Signals from the government sometimes seem contradictory. Sizable stimulative packages are signaled, but continued fiscal consolidation is stressed. Again, this makes it hard to interpret policy intentions. Clearer signals are needed from the Japanese government of its willingness to expand domestic demand substantially, along with more precise measures on concrete measures.

The credibility of economic policy in Japan and West Germany would not suffer from an announced willingness to stimulate domestic demand on a large scale than hitherto contemplated. On the contrary, such policy action would encourage real confidence in governments to bring about a policy adjustment and resist further changes in exchange rates.

Genuine multilateralism, with a sense of collective responsibility, must be the guiding principle. People all over the world are looking with growing impatience for concrete steps that lead the world economy back to a path of steady growth. Let us hope that such steps will be taken at the Venice summit.

International Herald Tribune

### Americans Learn From Thatcher

By David S. Broder

WASHINGTON — For the last eight years, Britain and the United States have been traveling parallel political paths under Margaret Thatcher and Ronald Reagan. Republicans are watching Thursday's British elections for clues to their best tactics in the 1988 elections. If Mrs. Thatcher's Conservatives win their expected third term, you can expect the Republicans to adopt her themes of growth, ownership and national pride in 1988.

Republican National Chairman Frank J. Fahrenkopf Jr. went to London to observe last month's round of local elections and met his Tory party counterpart, Norman Tebbit, in the week when Mrs. Thatcher decided to call national elections. At Mr. Tebbit's invitation, a Fahrenkopf aide has been sitting in on the final week of pre-election maneuvering.

The close cooperation is not new. In 1979, the Republican chairman, Bill Brock, sent operatives to London to study the advertising themes and issues that the Tories used to reclaim power. Strong echoes of the "Labor Isn't Working" theme turned up in Mr. Reagan's 1980 campaign, which weaned millions of working families, frustrated by stagflation, away from their normal Democratic loyalties.

Four years later, Fahrenkopf aides watched as Mrs. Thatcher rode the euphoria and patriotic pride of her Falklands victory to an even more convincing second term. It was said at the time that Mr. Reagan had no comparable military credentials. But then came Grenada, and suddenly the Republican admin. proclaimed that America was back and standing tall.

This year again, differences seem more striking than similarities. The Conservatives have Mrs. Thatcher at their head, and she is, although controversial, untainted by serious scandal. Republicans have a lame duck president damaged by the Iran-contra affair and are uncertain who will lead them into the 1988 election.

Mrs. Thatcher faces divided opposition, in Labor and the Liberal-Social Democratic Alliance, and the pre-election polls make her party the favorite to retain its parliamentary majority. In Washington, the Republicans no longer control either house of Congress and the early surveys suggest, however shakily, that Democrats may hold the favorite's role for 1988.

"I'm not sure we can take comfort if she wins," Mr. Fahrenkopf remarked. "But her campaign certainly is helpful in understanding how voters react to certain facts and certain appeals."

The main theme is economic growth without inflation. The Conservative manifesto says Britain in the seventh successive year of steady economic growth. "We have moved from the bottom to the top of the growth league of major European powers..." Since the Conservatives took office, productivity in British manufacturing has grown faster than in any other major industrialized country.

In the week the Tories' manifesto appeared, the Republican National Committee issued a "special edition" of one of its publications, asserting that "America is in the midst of a period of unparalleled economic progress and job growth... We've created more than 13 million new jobs."

Prosperity is a traditional boast of parties in power, and if the American economy remains healthy in 1988, you will certainly hear the Republicans taking credit for it. Of greater interest to the party is Mrs. Thatcher's effort to redefine and realign the traditional class basis of British politics.

She has used every tool to make the average family think of itself as owning a piece of the nation's future. Today claim there are 2.5 million more home-owning families than in 1979, a million of them former tenants of public housing who are aided in buying the units they occupied. The number of stockholders has trebled, many of the new capitalists being employees of formerly nationalized industries now returned to private ownership.

Pre-election polls showed Tories winning among working class voters who had become home-owners and stockholders. If those gains are confirmed on Thursday, you can expect to see a similar effort in America, with Republican candidates arguing that the tax cuts and investment incentives of the Reagan years have given many more families "a share in America."

In the Middle East, opportunities for peace are so rare that they must be seized. But if noble concerns are based on false assumptions or wishful thinking, the price of failure would be the defeat of peace seekers in Israel. It would be a tragic irony of history if Mr. Peres's dedication to peace were to serve the ambitions of Ariel Sharon.

The writer is associate director of the Institut Français des Relations Internationales. He contributed this comment to the International Herald Tribune.

### IN OUR PAGES, 75 AND 50 YEARS AGO

#### 1912: Derby Surprise

EPSOM — Mr. W. Raphael's gray filly Tagalie, ridden by Johnny Keiff, the American jockey, won the Derby [June 5] by four lengths in a commanding run from Mr. L. Neumann's Jaeger and Mr. August Belmont's Tracery, while Sweeper II, carrying tons of American money, was lost in the ruck. As the gray flashed past the judge's box the winner, it was noted as strange that not a cheer arose for the gallant little filly which, leading from start to finish, had shown a clear pair of heels to the other nine, ten candidates for the Blue Ribbon of the Turf. Perhaps this is explained by the fact that fully seventy percent of the hundreds of thousands present expected the American favorite to win — and cheers follow the money on a racecourse as surely as soldiers follow the flag on a battlefield.

#### 1937: Rocket Travel

WORCESTER, Massachusetts —

The importance of experiments with rockets in relation to aerial travel was dealt with in a letter from Colonel Charles A. Lindbergh which was read today at the graduation ceremonies of Clark University. "In an unguarded moment," he wrote, "a rocket enthusiast might prophecy that we shall eventually travel at speeds governed only by the acceleration which the human body can stand. In rocketing between America and Europe, we shall accelerate half way across the ocean and decelerate the other half. Or we might even point a rocket at another planet, without regard to fuel supply or landing facilities." The flyer declared the rocket experiments by Professor H. Goddard, of Clark University, may have far-reaching effect on the future of civilization.

## Canada Plans Ambitious Buildup of Its Military

The Associated Press

OTTAWA — Canada, declaring its armed forces in danger of "rust out" after decades of neglect, announced Friday an ambitious military buildup, including the acquisition of 10 to 12 nuclear-powered submarines.

A white paper introduced in Parliament by Defense Minister Perrin Beatty also said Canada would cancel its "unsustainable commitment" to send a brigade and two fighter squadrons to Norway in wartime.

The 5,000 troops will be deployed in an emergency with Canada's main NATO force of 6,900 in West Germany, Mr. Beatty said.

The 90-page document pledged a minimum real growth of 2 percent in military spending over the next 15 years — a pledge valued at \$136 billion — with additional sums for special programs, such as the nuclear submarines.

General Paul Manson, chief of the defense staff, said the military got everything it wanted in the nation's first comprehensive military review in 16 years.

The plan calls for creation of a "three-ocean navy" with a balance between nuclear-powered submarines, surface vessels and patrol aircraft.

The submarines, estimated to cost \$300 million to \$375 million each, would be delivered from 1990 to 2010, Mr. Manson said.

Military officials have said that French Rubis-class and British Trafalgar-class subs are the leading contenders but that about 65 percent of the work would be done in Canada.

The white paper also disclosed plans to develop new sonar systems for under-ice surveillance in the Arctic, and research into space surveillance against missile attack.

Canada will establish its first military base in the High Arctic, and increase its armed forces reserves from \$1,000 to 90,000.

The nuclear submarines would carry conventional weapons in line with Canada's nonnuclear policy, but only nuclear propulsion will enable them to patrol under the ice for long periods.

The document stressed a Soviet military threat in the north and U.S. refusal to acknowledge Canada's claim to sovereignty over the Northwest Passage.



The descendants of Robert E. Peary and Matthew Henson laying a wreath on Wednesday at Admiral Peary's gravesite

in Arlington National Cemetery in Virginia. Dr. S. Allen Counter, to the right of the wreath, organized the event.

## PEARY: For Descendants of North Pole Explorers, a Long Trek From Home

(Continued from Page 1)

main, a loyal and competent assistant, originally hired as a servant, but he rose above that," Dr. Counter described Mr. Henson as the "co-discoverer" of the North Pole.

Dr. Counter said that Mr. Henson, who was

sing when he fathered Ahnauqaaq, shared his secret with close friends. Both men saw their children on a subsequent expedition, but thereafter never wrote or maintained contact. Dr. Counter said. Karree Peary said he had never been in contact with his father's family.

In contrast to the mixed reaction from other

Peary descendants, members of the Henson family have been uniformly enthusiastic about the visit. Dr. Counter said. Some American relatives of Mr. Henson were on hand in Arlington on Wednesday, but none of Mr. Peary's American descendants were present; as Karree Peary laid a wreath at his father's grave.

## MISSILES: U.S. Is Reported to Weigh Raids Against Missiles in Iran

(Continued from Page 1)

time before the missiles could target vessels passing through the Strait of Hormuz, which is 30 miles (50 kilometers) wide at its narrowest point.

The United States plans to put 11 Kuwaiti tankers under the American flag, and these tankers, plus their escorting U.S. warships, could be easy marks for the missiles, sources said.

The missile is credited with a range of 50 miles and a warhead that carries the equivalent of 1,100 pounds (500 kilograms) of TNT.

The warhead of the Exocet missile that disabled the U.S. frigate Stark on May 17 carried the equivalent of 350 pounds of TNT.

There is still some debate within the intelligence community on how many missiles Iran has bought from China, sources said. The rough estimate, they said, is that at least one will be ready around July

and three or four more could be deployed later.

Sources said the debate within the administration was swirling around four main scenarios, each with advocates in the White House, Pentagon and State Department:

• Warn Iran through diplomatic channels not to deploy the missile, and hold off on any U.S. military action while Tehran weighs the request.

• Prepare a pre-emptive strike by bombers or U.S. Navy guns and unleash it as soon as there is evidence that the ground-based, mobile missile is deployed against shipping in the Gulf.

• Allow the missile to become operational, on the theory that Iran has the right to deploy the missile as a combatant in the Iran-Iraq war, but plan to attack it at the first sign it is about to be fired at a ship flying the U.S. flag.

• Hold back from any pre-emptive action and rely on electronic jamming and other countermeasures, including putting up false targets and destroying the missile in flight. Navy weapons specialists have been discussing countermeasures with industry experts, according to industry sources.

One question threading through the administration debate, officials said, is whether the United States would violate international law by launching a pre-emptive strike against the missiles.

One interpretation, sources said, is that such a strike would be in the nature of self-defense while another is that it would amount to one of the 11 tankers. We agree to do that. They asked that they be reflagged. That's in the process of happening."

Said the ships, once they carry the U.S. flag, would be entitled to protection like any other ship "that's under the U.S. flag, and they'll be paying U.S. taxes."

### ■ 2 Senators Discuss a Raid

Two senators who recently returned from the Gulf said Friday that the United States might have

to consider a pre-emptive strike against the Iranian missiles if they were deployed against shipping in the Strait of Hormuz.

"You have to do it if you're going to have freedom of passage of those straits," Senator John W. Warner, Republican of Virginia, said on an NBC television show.

He added: "We see no allied assistance that will help us if it's necessary to go in and take out those missiles. We'll go it alone if it has to be done."

Senator John Glenn, Democrat of Ohio, who accompanied Mr. Warner on the weeklong tour of the Gulf, said such a strike was one of many options being considered.

"I would not want go in on a pre-emptive strike just right at this point," Mr. Glenn said. "But if they start deploying them, we can't take any chance on that strait being closed. It's too vital."

■ Iran Threatens to Act

Iranian radio reported Friday that an Iranian leader had urged Iran to be ready to eject U.S. forces from any military bases put at their disposal by Arab states in the southern Gulf. Reuters reported from London.

"We should be ready so that if any country of the south of the Gulf were to place bases, ports and jetties at the disposal of the U.S.A., we should go and occupy that place and drive the Americans out of there," the speaker of parliament, Hashemi Rafsanjani, said at a Friday prayer meeting.

### ■ 2 Senators Discuss a Raid

Two senators who recently returned from the Gulf said Friday that the United States might have

## REAGAN: In Venice, President Seeks to Repair Image

(Continued from Page 1)

close to reaching an agreement to dismantle hundreds of nuclear missiles in Europe and Asia that is "very much in our interest and on our terms," The Associated Press reported from Venice.

"We're not there yet, of course, some hard questions remain," Mr. Reagan said in a televised address broadcast to Europe by the U.S. Information Agency. "But the prospects are good."

The speech was a further indication that Mr. Reagan is laying the groundwork for an endorsement of the disarmament plan for medium-range and shorter-range missiles at the summit meeting.

He said that he had to make sure a treaty was verifiable and would reduce arms while not letting either

side be outmatched and vulnerable.

While touting the proposed U.S.-Soviet agreement, Mr. Reagan noted that it would have a cost.

"Indeed, given the Soviet superiority" in chemical and conventional weapons, he said, "we must improve our conventional defense capabilities, difficult and expensive" that might be."

Mr. Reagan pledged: "The United States will not waiver in our commitment to the defense of Europe. We will sustain the credibility of NATO's doctrine of flexible response, which has served us well and remains the center" of North Atlantic Treaty Organization strategy.

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## ECONOMIC SCENE

## The Marshall Plan: Would The Effort Be Made Today?

By LEONARD SILK  
New York Times Service

**N**EW YORK — A few days before President Ronald Reagan took off for Venice this week, he spoke in the East Room of the White House in honor of the memory of George C. Marshall on the 40th anniversary of the Marshall Plan. On June 5, 1947, Marshall, then the secretary of state, gave the commencement address at Harvard University, offering U.S. help for the reconstruction of war-scarred Europe. "Our policy," he said, "is not directed against any country or doctrine but against hunger, poverty, desperation and chaos."

The American commitment to the European Recovery Program was enormous. As Mr. Reagan said at the White House,

Reagan appeared to be making up for McCarthy's assault on the general as a virtual traitor.

Could and would the United States make such an effort today? Fiscally, it would be next to impossible — without a drastic change in the use of American resources. The federal budget in fiscal 1986 showed a deficit of \$221 billion; optimists expect the deficit this year to be about \$180 billion.

And Gramm-Rudman constraints on the budget, aimed at producing a balanced budget by 1991, are severely squeezing foreign aid. The Reagan administration did increase foreign aid to a peak of \$20.2 billion in 1985 from \$9.6 billion in 1980.

But the Gramm-Rudman budget cuts have since driven foreign aid down to \$12.9 billion. While that still represents a 26 percent increase since 1980, John W. Sewell and Christine E. Conzee note in Foreign Affairs magazine that all foreign aid growth since 1980 has been in the area of security and military assistance; economic aid has fallen.

As long as the budgetary pie was expanding, they note, it was possible to put together a coalition in Congress to support foreign aid. Now, however, with the drive on to chop the deficit as a major cause of America's international trade and growth problems, the foreign-aid coalition has broken down. Congress cut the administration's aid request last year by 23 percent, and resources for the next few years are not likely to be more plentiful.

**A**T THE VENICE summit conference the administration will be pressing its allies for greater help on the economic and military fronts. In his own statement on the 40th anniversary of the Marshall Plan, Secretary of State George P. Shultz urged the allies "to note and act on the reality that the United States can no longer carry the largest share of the burden."

The United States, Mr. Shultz said, has devoted a much larger proportion of its national budget to military spending than its allies have. It could once do this without strain, but the American economy no longer dominates the Western world. "The Marshall Plan helped to create equality between the two halves of the Atlantic alliance," he said, but, today "we must share responsibilities equally."

In hailing Marshall as "a gallant soldier, a visionary statesman and an American who set a standard of honor and accomplishment for all who have followed," Mr. Reagan appeared to be making up for the assault on the general as a virtual traitor that was made by Senator Joseph McCarthy of Wisconsin in the early 1950s.

Although Dwight D. Eisenhower was Marshall's protégé, as Forrest C. Pogue notes in his new book, "George C. Marshall: Statesman," Eisenhower failed, during his 1952 presidential campaign, to defend Marshall against the McCarthy charges of "pro-Communist." President Harry S. Truman was outraged by Eisenhower's deletion of support for Marshall from a speech he gave in Wisconsin. That deletion came at the request of Republican politicians, and Mr. Reagan went all out to erase that blot.

## Currency Rates

Cross Rates									
June 5									
Amsterdam	2.015	2.025	1.22	2.025	1.22	1.22	1.22	1.22	1.22
Bremen	2.025	2.025	1.22	2.025	1.22	1.22	1.22	1.22	1.22
Frankfurt	1.814	1.814	1.22	1.814	1.22	1.22	1.22	1.22	1.22
London (b)	1.421	1.421	1.22	1.421	1.22	1.22	1.22	1.22	1.22
Milan	1.3725	1.3725	1.22	1.3725	1.22	1.22	1.22	1.22	1.22
New York (c)	0.8127	0.8127	1.22	0.8127	1.22	1.22	1.22	1.22	1.22
Paris	0.8775	0.8775	1.22	0.8775	1.22	1.22	1.22	1.22	1.22
Vienna	1.4435	1.4435	1.22	1.4435	1.22	1.22	1.22	1.22	1.22
Zurich	1.503	2.4015	1.22	2.4015	1.22	1.22	1.22	1.22	1.22
1 ECU	1.455	2.011	1.22	2.011	1.22	1.22	1.22	1.22	1.22
1 SDR	0.7901	0.7901	1.22	0.7901	1.22	1.22	1.22	1.22	1.22

**Cross Rates**  
(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (\* ) Units of 100 (x) Units of 1,000 (y) Units of 10,000 N.G. not quoted; N.D. not available  
(\*) To buy one pound: \$0.8125

## Other Currency Values

Currency per U.S. Dollars, pounds, francs, etc.

1.4285 French francs

1.4285 German marks

1.4285 Italian lire

1.4285 Japanese yen

1.4285 Swiss francs

1.4285 West German marks

1.4285 Yen







## Toshiba to Build Computers in U.S.

United Press International

TOKYO — Toshiba Corp., the Japanese electronics firm, said Friday that it plans to build portable personal computers in the United States and bolster its sales of office automation equipment in Italy.

The company said it will start producing "lap-top" compact and lightweight computers at its plant in Irvine, California, in July. Under the plan, 5,000 units of the T-3100/20 model will be built each month. Product lines and volume will be expanded later.

Toshiba also said it had estab-

lished a wholly owned subsidiary in Italy to promote sales of its office automation equipment and im-

p

prove service to customers in Europe's fourth largest office automation market.

Sales of office automation equipment in Italy account for about 15 percent of Toshiba's turnover in Europe.

The new company, Toshiba Information Systems (Italia) SpA, based in Milan, will employ about 70 local personnel in the initial stages of operations. It expects sales of \$24 million this year.

The new company will sell plain paper copiers and facsimile machines, some of which will be manufactured at Toshiba's joint venture in France, company officials said.

Toshiba previously marketed of-

ice automation equipment in Italy

through its wholly owned West German subsidiary, Toshiba Euro-

pa GmbH.

The new venture, capitalized at \$2.1 million, is the company's fourth subsidiary in Europe, follow-

ing those in West Germany, Britain and France.

## Swedish Stock Exchange Fines 3 Firms for Disclosure Errors

By Juris Kaza

International Herald Tribune

STOCKHOLM — Sweden's stock exchange is cracking down on companies for failing to provide timely financial information.

The Stockholm Stock Exchange imposed fines late Thursday totaling nearly 710,000 kronor (\$112,000) on three major Swedish corporations for delaying or failing to properly deliver financial information to the market.

The exchange, in unanimous board decisions, imposed the fines on Alfa-Laval AB, Saab-Scania AB and Flakt AB, a unit of ASEA AB.

The single largest fine, 463,758 kronor, was imposed on Saab-Scania for a delay in reporting an earnings forecast to the exchange.

The forecast, which was recast in

more specific terms at the last minute by Saab-Scania officials, was made by the group's president, Georg Karslund, to the company's May 7 annual meeting. The news was not presented to the exchange until some time after Mr. Karslund addressed the meeting.

"There's definitely a firmer attitude," said Haakon Holmberg, a broker with Consensus Fondkommission, a securities trader in Stockholm.

"They really want to stress that these rules about information have to be taken seriously and they are making some exam-

ples." Another corporate executive, who did not want to be quoted by name, said "they are shooting at everything that moves." He added that exchange officials may have been swayed by foreign criticism of Swedish regulatory standards and "now, they want to make an example as soon as they get a chance."

The exchange's president, Bengt Ryden, said that "forecasts and information about 'hidden reserves' that is of more minor significance must be delivered as soon as the decision to publicize it is made, for instance, in a press release on the corporate accounts or a separate statement, and not, for the first time, when the annual report is

printed."

Alfa-Laval, which makes engineering and food equipment, was fined 141,067 kronor for failing to deliver its 1986 annual report to the exchange at the same time it was given, under embargo, to journalists.

Flakt, a maker of air conditioners, was fined 105,000 kronor

for failing immediately to report information about the appreciation of real estate holdings in Japan.

The information was mentioned in

passing in the ASEA annual report.

Kai Hammerich, a senior vice

president of Saab-Scania and the chief spokesman, said "the ex-

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Alfa-Laval, which makes engineering and food equipment, was fined 141,067 kronor for failing to deliver its 1986 annual report to the exchange at the same time it was given, under embargo, to journalists.

Flakt, a maker of air conditioners, was fined 105,000 kronor

for failing immediately to report information about the appreciation of real estate holdings in Japan.

The information was mentioned in

passing in the ASEA annual report.

Kai Hammerich, a senior vice

president of Saab-Scania and the chief spokesman, said "the ex-

change was overreacting" by punishing the company for a delay of some hours in reporting an earnings forecast to the exchange.

The forecast, which was recast in

more specific terms at the last minute by Saab-Scania officials, was made by the group's president, Georg Karslund, to the company's May 7 annual meeting. The news was not presented to the exchange until some time after Mr. Karslund addressed the meeting.

"There's definitely a firmer attitude," said Haakon Holmberg, a broker with Consensus Fondkommission, a securities trader in Stockholm.

"They really want to stress that these rules about information have to be taken seriously and they are making some exam-

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## SPORTS

# Lakers Down Celtics To Lead Series, 2-0

By Roy S. Johnson  
New York Times Service

INGLEWOOD, California —

"Sweep! Sweep! Sweep!"

The words became a rhythmic chant at the Forum Tuesday night as the Los Angeles Lakers devastated the Boston Celtics for the second consecutive game in the National Basketball Association championship series.

The Lakers inspired that hopeful sweep-off as they continued to make

den, where the Celtics have been nearly unbeatable in the past four years.

"They will be fueled by Boston," Riley said. "As cliché as it may be, we have to take this one game at a time. I'm not speaking cautiously; that's what I believe. "We blew out Houston last year, then lost four straight."

It was actually a contest for awhile, primarily because of one adjustment made by K.C. Jones, the Celtics' coach.

Instead of guarding Johnson with Johnson — Ervin with Dennis — he placed Danny Ainge, who is more rested than his older teammate, on the Lakers' playmaker and instructed him to track Johnson all over the court.

That stalled the Lakers' running game, but it didn't hamper their effectiveness.

They led by only 38-36 just into the second period, but that was when Riley countered by calling upon one of the other versatile Lakers to guide the team's running game.

"That's the difference between this team and the Lakers a couple of years ago," said Dennis Johnson, who had 20 points and 9 assists. "Before, only Magic would bring it up. Now anyone can."

Primarily Cooper. He scored 9 points and passed for 8 assists during the second period as the Lakers methodically increased their margin to 19 points, at 75-56.

Los Angeles converted 15 of its first 21 shots in the second period. For the game, their five starters plus Cooper combined to hit 53 of 75 attempts, or 74 percent.

The Lakers led by as many as 22 points and were in the lead. The Celts staggered back to 101-87 with 2 minutes 18 seconds left in the third period after their longest run of the game, 6 points.

But their momentum was doused when Cooper nailed his fifth 3-pointer and helped the Lakers gain a 107-92 cushion going into the final period.



Robert Parish goes up against Kareem Abdul-Jabbar.

# Lendl, Wilander Advance to Final

United Press International

PARIS — Ivan Lendl of Czechoslovakia and Mats Wilander of Sweden scored straight-set victories Friday to reach the final of the French Open tennis championships.

Lendl, top-seeded and the defending champion, thwarted his compatriot, fifth-seeded Milos Meier, to win, 6-3, 6-3, 7-6 (7-3).

It felt like I was doing wind

awful, strategy kept Meier from going to the net to launch his deceptive approach shots.

"I think the match was very

tough, although it may not look like that from the score," said Lendl. "You have to go out on the court

prepared to do a lot of running against him and we were on the court for nearly three hours.

"It felt like I was doing wind

awful, wind for three hours."

Lendl, 27, said a victory at Roland Garros would compensate for what has been a disappointing season, his only victory coming at Hamburg.

Fourth-seeded Wilander served hard and made few mistakes to eliminate Boris Becker of West Germany, the second seed, 6-4, 6-1, 6-2, for his 17th consecutive match victory.

The Lendl-Wilander final Sunday is a rematch of the 1985 finalists. Wilander won that year in four sets. Lendl defeated Mikael Pernfors of Sweden in last year's final.

Lendl, who pounded Meier in the U.S. Open final last year and beat him again in straight sets in the final at Hamburg, West Germany, last month, said he took advantage of Meier's shots by hitting mainly slices to the forehand. The



Mats Wilander on his way to defeating Boris Becker.

The women's final between top-seeded Martina Navratilova of the United States and second-seeded Steffi Graf of West Germany will be played Saturday.

## FRENCH OPEN TENNIS

and reach the final on the clay courts of Roland Garros Stadium for the fourth consecutive time.

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final the next year to Yannick Noah of France. Lendl beat John McEnroe in the 1984 final for his first victory in a grand slam tournament.

## The Return Of Gooden to Shea Stadium

By Joseph Durso

New York Times Service

NEW YORK — Like everybody else, the Mets didn't know what to expect when Dwight Gooden returned from drug therapy to take the mound Friday night in Shea Stadium before a sellout crowd and a wondering public.

They didn't expect a miracle, a complete game or even a vintage performance. But they predicted that he would be sharper than his recent workouts in the minor leagues suggest. And they regard his return as a milestone for a pitching staff struggling with injuries.

"He might not be the same old Doc the first couple of times," said Darryl Strawberry, his closest friend on the team. "But, over the season, he'll be the same as before. He's all right. He'll be outstanding."

"I'll be keeping a keen eye on him," Manager Dave Johnson said. "A keen eye."

"It would be unfair and unreasonable to expect instant success or a miracle," said Mel Stottlemyre, the pitching coach. "Don't forget, the rest of the National League has been swinging against good pitching for two months."

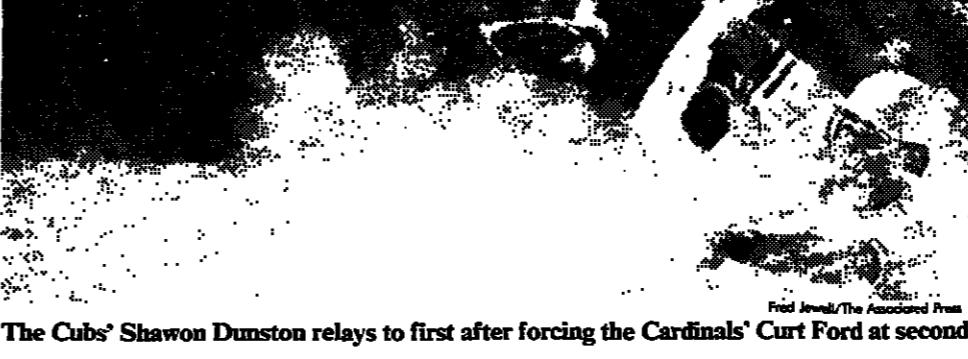
"I don't think we should necessarily expect a low-hits game. I expect him to have some early trouble, but to pitch out of it. He's capable of pitching nine innings, he's capable of pitching a good game. But it would be unreasonable to expect too much."

Stottlemyre tried to picture the scene Friday night when Gooden would be introduced before 54,000 screaming fans and tried to work through his emotions and concentrate on the Pittsburgh Pirates.

"One of the fears I have is that he might be overpumping a little. He might be too excited. I'll talk to him before the game specifically about that, and tell him not to overdo it. He'll go as far as he can. Davey and I will be monitoring his pitches, and we'll make natural decisions."

Gooden was placed on the disabled list on April 1, and the next day began therapy at the Smithers Center for Alcoholism and Drug Treatment in Manhattan. He left one month later, and began a carefully metered series of workouts built around five pitching appearances in the minor leagues.

In five starts he gave up 22 hits, 11 walks and 5 earned runs and struck out 27 in 26 innings. His first four appearances were mixed, but his final one last Sunday — six innings, one hit, 10 strikeouts — was more commanding.



The Cubs' Shawon Dunston relays to first after forcing the Cardinals' Curt Ford at second.

## Cox, Clark Lead Cardinals to Victory

United Press International

CHICAGO — Danny Cox combined with Todd Worrell on a seven-inning Thursday, leading the St. Louis Cardinals to a 3-1 victory over the Pittsburgh Pirates.

Jack Clark hit a two-run homer, the 16th homer of the season, in the first inning as the Cardinals opened a four-game series against the team chasing them in the National League East.

"When Cox is on, he's tough," Chicago's Andre Dawson said. "When he is struggling, you'll know it early. Today he got some calls from the umpire. Some of them were out of the strike zone."

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## Royal \$100,000 Binge

angle to his Journal story on the Sun-Times's three-month search for a columnist to replace Ann Landers, who moved to the rival Chicago Tribune. She is Diane Crowley, a Longmeadow, Massachusetts, lawyer and former teacher. The two probably will write on alternate days, with her advice more serious and traditional, his more off-the-wall. Crowley, asked what she planned to tell her column, responded, "Your Problems." Zaslow asked the same, answered, "Her Problems." Actually, he added, it will be titled "All That Zazz." Eddie Lederer will keep the pen name Ann Landers for her column, which published in more than 1,100 newspapers. The Tribune now carries advice columns by Lederer and her twin sister, Pauline Phillips, who writes as "Dear Abby."

Giorgio Armani, the Italian designer, received the 1987 Cutty Sark Menswear Award for top international designer. Calvin Klein received the career achievement award. The outstanding U.S. designer award went to Jeffrey Banks. The late Cary Grant was honored for "a lifetime of incomparable personal style." The awards were presented in New York.

Princess Diana, wearing a dark blue academic robe and a mortar board, became an honorary fellow of the Royal College of Obstetricians and Gynaecologists in London on Friday. Her husband, Prince Charles, wanted to market a type of cheddar cheese but gave up the idea, apparently after several stores refused to stock it. Buckingham Palace confirmed on Friday that samples of cheese made from milk produced on Charles's 347-acre (140-hectare) Highgrove Estate and farm in Gloucestershire were sent to prospective retailers. Press Association, the British domestic news agency, said the stores, including Marks and Spencer, the big department-store chain, decided not to stock it.

Marilyn Horne, the American mezzo-soprano, canceled a sold-out Friday concert at the Royal Opera House because she is suffering from an allergy that has affected her voice.

## 'Cop' and Flop: A Tale of 2 Films

"Ishtar," the flop: Beatty and Hoffman down among the vultures.

By Aljean Harmetz  
New York Times Service

**LOS ANGELES** — In the only way that matters to Hollywood, "Beverly Hills Cop II" and "Ishtar" are polar opposites.

During its first 12 days at 2,326 theaters in the United States, "Cop," which stars Eddie Murphy, sold \$64 million worth of tickets. In its first 17 days at 1,120 theaters, "Ishtar," which stars Dustin Hoffman and Warren Beatty, grossed \$11 million; audiences are shrinking daily and the movie is losing theaters each week.

Comparing the year's biggest blockbuster and the year's biggest disappointment — both of which got decidedly mixed reviews — throws a spotlight on how and why decisions are made in the movie industry.

According to a number of executives at Hollywood's major studios, the first mistake Columbia made with "Ishtar" was saying yes to a movie that required Hoffman and Beatty to play untalented songwriters running around the desert swathed in burnoosees. "If you're buying those two actors, you're buying them as movie stars," said one executive. "Audiences don't want to see Warren having trouble getting women and Dustin covered sand."

In contrast, Paramount's "Beverly Hills Cop II" provided the Eddie Murphy that audiences

wanted — a street-smart cop from Detroit making monkeys out of the stuffy citizens of Beverly Hills. Critics said the movie was a loud, boombastic, unfunny carbon copy of "Beverly Hills Cop." Paramount gleefully pointed up the similarity between "Cop II" and the original, which had earned the studio \$108 million in film rentals.

The newspaper ads for "Cop II" show a Murphy leaning against a Beverly Hills sign with the caption: "Back Where He Doesn't Belong."

The double poster for "Ishtar" showed two men draped in Arab garments holding on to a rope, a long, long distance away, is a camel.

The original budget for "Cop II" and "Ishtar" were roughly the same. "Cop II" was budgeted at \$2.7 million. "Ishtar" was at \$2.8 million. Murphy was paid \$8 million.

Beatty and Hoffman received \$5 million apiece. But the paths of the two movies diverged very quickly. "Cop II" was under the control of Paramount during every step of production and post-production. The movie's final cost was \$31 million. According to Frank Mancuso, the chairman and chief executive officer of Paramount, each extra cost was absorbed by the studio in advance. "We approved overages for extra music, an extra chase sequence and reshooting two scenes to get more reaction shots of Eddie," said Mancuso.

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what the studio requires and a lot can be done in shorthand," said Mancuso.

The producer of "Ishtar" was the brilliant, complicated star of the movie, Beatty. Until 1981 and "Reds," Beatty had led a charmed life as a producer. His 1975 comedy "Shampoo" had brought Columbia \$24 million in film rentals and four Oscar nominations. His 1978 comedy "Heaven Can Wait" had brought Paramount to nearly \$50 million in film rentals and nine Oscar nominations.

In explaining why he chose to make "Ishtar," Guy McElwaine, the former chairman of Columbia Pictures, has reportedly said: "My trust was in Warren and his ability to merge artistic propensities with populist taste. His track record is almost unmatched."

The "almost" was "Reds," a film about the American journalist John Reed and the Russian revolution that went horrendously over budget. "Reds" was a commercial failure but won an Academy Award as best director.

Hoffman was essentially a hired hand on "Ishtar." But Beatty's perfectionism and May's indecisiveness and the thousands of miles between Morocco and Los Angeles made an inexcusable mixture. McElwaine has placed the cost of "Ishtar" at \$35 million. Other sources say the cost of producing the movie plus studio overhead and financing charges was

\$51 million. The balance sheet will be available in a few years, after sales to foreign theaters, video cassettes and pay cable.

In April 1986, McElwaine resigned under pressure. By the time Columbia's new team of David Puttnam and David Picker took over in late summer, "Ishtar" was in post-production and there was nothing to do but let the fever run its course.

Beatty's desire to control every detail, which has many times improved the quality of his movies, in this case led to extra expenses and difficulties in marketing. He did not approve advertisements of a trailer until the last moment, almost a year after Columbia first asked him to approve a poster. Beatty and May were not available for comment, but David MacLeod, the associate producer, spoke for them. He said that Beatty had consultation rights, but not approval rights, and that the two did not think Columbia's original ideas were "good enough."

Mancuso describes "Beverly Hills Cop II" as a "tent pole" movie. Each year, Paramount makes several high-budget films "that because of content, star value or story line have immediate want-to-see and are strong enough to support your entire schedule," he said.

As it turned out, "Ishtar" had none of the strengths of a tent pole. It was not a sequel or a unique subject. And — perhaps the most surprising thing — its stars were not stars to the younger generation of filmgoers. "We in Hollywood think Beatty and Hoffman are huge stars because they're part of our film history," said one studio vice president.

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